OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

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Contact:

FOR IMMEDIATE RELEASE Wednesday, July 29, 1998 Jay Ziegler Helaine Klasky (202) 395-3230

CANADA'S INITIATIVE ON MAGAZINES LOOKS LIKE SAME OLD STORY

United States Trade Representative Charlene Barshefsky today issued the following statement regarding the announcment by the Canadian government concerning its actions under a WTO decision which found that exisiting practices unfairly discriminate against foreign magazine companies:

"Regrettably, the approach outlined by the Canadian government appears simply to represent a new prohibition against U.S. companies' ability to do business in Canada. Such an approach would be every bit as inconsistent with Canada's international trade obligations as its current discriminatory practices. Consequently, the United States has requested consultations immediately on this important issue. I will send a team of experts to Ottawa next week to pursue our concerns."

Ambassador Barshefsky continued, "We are deeply disappointed by Canada's announcement today. Canada's practices with regard to split-run magazines were clearly aimed to keep U.S. magazines out of the Canadian market, as the WTO found with respect to the excise tax. The new measure appears to continue that policy objective. If so, this "new" policy is the same old story."